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Attorneys for the Official Committee of Equity  
 Security Holders of USA Capital Diversified Trust  
 Deed Fund, LLC

## UNITED STATES BANKRUPTCY COURT

## DISTRICT OF NEVADA

In re:  
 USA COMMERCIAL MORTGAGE COMPANY,  
 Debtor.

In re:  
 USA CAPITAL REALTY ADVISORS, LLC,  
 Debtor.

In re:  
 USA CAPITAL DIVERSIFIED TRUST DEED  
 FUND, LLC,  
 Debtor.

In re:  
 USA CAPITAL FIRST TRUST DEED FUND, LLC,  
 Debtor.

In re:  
 USA SECURITIES, LLC,  
 Debtor.

## Affects:

- ☐ All Debtors
- ☒ USA Commercial Mortgage Company
- ☐ USA Securities, LLC
- ☐ USA Capital Realty Advisors, LLC
- ☒ USA Capital Diversified Trust Deed Fund, LLC
- ☒ USA First Trust Deed Fund, LLC

Case No. BK-S-06-10725 LBR  
 Case No. BK-S-06-10726 LBR  
 Case No. BK-S-06-10727 LBR  
 Case No. BK-S-06-10728 LBR  
 Case No. BK-S-06-10729 LBR  
 Chapter 11

Jointly Administered Under  
 Case No. BK-S-06-10725-LBR

Date: August 31, 2006  
 Time: 9:30 a.m.  
 Place: Courtroom #2

**DIVERSIFIED TRUST DEED  
 FUND COMMITTEE'S JOINDER  
 IN OPPOSITIONS TO MOTION  
 FOR PAYMENT OF PROCEEDS  
 OF NOTES SECURED BY DEEDS  
 OF TRUST WITHOUT  
 REDUCTION FOR NETTING**

**(AFFECTS DEBTORS USA  
 COMMERCIAL MORTGAGE  
 COMPANY, USA CAPITAL FIRST  
 TRUST DEED FUND, LLC, AND  
 USA CAPITAL DIVERSIFIED  
 TRUST DEED FUND, LLC)**

1 **TO THE HONORABLE LINDA B. RIEGLE, UNITED STATES BANKRUPTCY JUDGE:**

2 The Official Committee of Equity Security Holders of USA Capital Diversified Trust  
3 Deed Fund, LLC (the "Diversified Committee") appointed in the above-captioned bankruptcy  
4 case, hereby partially joins in the oppositions of the Official Committee Of Equity Security  
5 Holders Of USA Capital First Trust Deed Fund, LLC ("FTDF Committee") and the Debtors to  
6 the *Motion For Payment Of Proceeds Of Notes Secured By Deeds Of Trust Without Reduction*  
7 *For Netting* ("Motion") and, in support of such joinder, respectfully states as follows:

8 **Partial Joinder in FTDF Opposition**

9 The Diversified Committee has reviewed FTDF Committee's opposition to the Motion  
10 ("FTDF Opposition") filed on August 16, 2006, and hereby joins in the argument contained in the  
11 second full paragraph of the Memorandum of Points and Authorities of the FTDF Opposition,  
12 found at page 3, lines 10 through 21, which states as follows:

13 As described in the FTDF Response and FTDF Reply, the dispute  
14 over the monies that the Debtors withhold from interim  
15 distributions is for another day. At this time, the FTDF Committee  
16 currently opposes any effort to restrict the rights of the Debtors  
17 (including, but not limited to, any rights under §502(d),  
18 recoupment, or setoff). The FTDF Committee believes that these  
19 issues will likely be determined through the confirmation process;  
20 however, if it becomes necessary to engage in full-blown litigation  
21 regarding such rights, a party seeking to require the Debtors to pay  
over disputed funds is not appropriately brought by a "motion to  
Compel Payment." The FTDF Committee, therefore, requests that  
the present motion be denied. This is also appropriate as no  
prejudice will inure to any party as a result. With the withheld  
funds segregated into a separate account (which monies cannot be  
used by any party without further Court authorization), the rights of  
the parties in interest with respect to these retained funds will not be  
prejudiced in any way.

22 **Partial Joinder in Debtors' Opposition**

23 The Diversified Committee has reviewed a draft of the Debtors' opposition to the  
24 Motion entitled Response To Motion To Obtain Information (Affects All Debtors) ("Debtors'  
25 Opposition") and hereby joins in the first two arguments of the Debtors' Opposition, which the  
26 Diversified Committee anticipates will be timely filed on August 18, 2006.

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**Conclusion**

Based on the foregoing, the Diversified Committee respectfully requests that the Court deny the Motion in its entirety.

Respectfully submitted this 18th day of August, 2006.

/s/ Anne M. Loraditch

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